

REMARKS/ARGUMENTS

Applicants and Applicants' undersigned attorney conducted a telephonic interview with Examiner Dass and Supervising Examiner Sough on Tuesday, November 16, 2004. Applicants and Applicants' undersigned attorney thank Examiners Dass and Sough for their time and consideration. Supervising Examiner Sough advised Applicants to file the present response addressing what Applicants assert are the deficiencies in the final office action mailed on June 22, 2004. Applicants respectfully contend that these deficiencies, which were discussed during the telephonic interview, resulted from a misunderstanding of the claimed invention. In view of Applicants' thorough and comprehensive clarifications made during the interview and discussed below, Applicants request that all pending claims 1-37 be allowed.

The Examiner rejected claims 1-37 under 35 U.S.C. §112, first paragraph and §103(a). More specifically, the Examiner rejected claims 1-28 and 34-37 under 35 U.S.C. §112, first paragraph for failing to comply with the written description requirement; rejected claims 1-2, 10, 15-17, 23, and 25-37 and 36 under §103(a), as being unpatentable over U.S. Patent No. 5,953,710 of Fleming ("Fleming") in view of U.S. Patent No. 5,177,342 of Adams ("Adams"); and rejected claims 3-9, 18-22 and 24 over the combination of Fleming in view of Adams and U.S. Patent No. 4,725,719 of Oncken et al. ("Oncken").

A. §112, first paragraph rejection

The Examiner rejected claims 1-28 and 34-37 on written description grounds, asserting that the application did not disclose the elements of "dynamically restricting" and "individual transactions." Applicants explained during the interview that the concept of "dynamically restricting" referred to dynamic or active consumer involvement in the approval/disapproval process. This is clearly and fully supported by the specification. For example and without limitation, page 12 of the specification explains how a consumer can dynamically restrict individual transactions by way of the present invention:

Another option is for the customer 112 to require that all transactions made using a particular transaction card would require the customer's authorization directly to the interface 102. To accomplish this, the user logs into the interface 102 via the Internet. **Transaction requests may then appear on the customer's 112 display screen in**

real time. The customer 112 can then choose to allow or disallow a specific transaction. This feature may also be used to override specific limitations previously selected by the customer 112.

Furthermore, the Examiner's objection to the term "individual transactions" appears to be merely semantic in nature and therefore inconsistent with a section 112, first paragraph rejection. Clearly, Applicants have disclosed the ability to dynamically restrict *individual transactions*, by stating that an individual may "choose to allow or disallow a **specific transaction**." (Pending application at page 12). The specification further describes enabling or disabling "**particular**" transactions, and mapping "**particular transactions**" to particular accounts. (*See e.g.*, Pending application at page 11, fourth and fifth paragraphs). Thus, the concept of individual transactions is well-supported by the specification (albeit through the use of the terms "specific" and "particular").

For all of these reasons, Applicants contend that the Examiner's written description rejection is unfounded and request that it be withdrawn.

B. §103 rejections

The Examiner rejected claims rejected all of the pending as being unpatentable over the combinations of Fleming and Adams, and Fleming, Adams and Oncken. For the reasons stated below, the cited combinations cannot render obvious any of the pending claims.

The Examiner cites Fleming as relating to ways to give a third party control over the type or amount of goods and services purchased using a credit card (e.g., a parent controlling a card issued to a child). In Fleming, a parent is given control over a child's *credit card account* that is indivisibly linked with the parent account. The Fleming system in all respects provides an ordinary, single credit card account, save for two special properties Fleming's invention gives to this account:

1. The child's parent(s) are allowed to set *static* limits that apply to the entire account (e.g., setting credit limits on the total amount that may be charged in a given period of time, enabling and disabling the card, and limiting the total number of expenditures).

2. The child's account is linked to the parent's for the purpose of establishing a combined credit limit for the two accounts.

Again, other than these properties, the account is an ordinary credit card account.

The other primary reference cited by the Examiner, Adams, does not involve consumer control of transactions whatsoever. All Adams discusses is a merchant terminal that allows the *merchant* to set static transaction limits to reduce loss. (Adams at column 5, lines 20-42).

The Examiner relies on Oncken solely for its disclosure of different types of criteria for restricting transaction cards. Oncken does not provide any disclosure or suggestion of the claimed interface that allows a consumer to *dynamically and selectively* restrict approval of individual transactions. While Oncken's invention allows for some very simple setting of limits on the goods and services purchased, and Fleming allows control over the total amount of purchases, neither provides a transaction-based system that allows users to *dynamically and selectively* direct and approve individual transactions. For example, with the claimed invention, a parent might be permitted to review and approve every transaction before it is completed.

In contrast to the prior art, the claimed inventions allow a *consumer* to *dynamically* restrict approval of *individual transactions*. As discussed above, the claimed inventions allow the consumer to be dynamically or actively involved in the approval/disapproval process. In the present invention, individual transactions can be approved, switched and/or redirected by the consumer.

One important capability provided by the inventions of independent claims 1, 17, 34 and 36 and that is distinct from the prior art is *dynamic*, "human-in-the-loop" control of transactions. The claimed interface provides for *selective and dynamic* restriction of approval of individual transactions, and allows for the possibility (and, more importantly, the capability) to set a condition that a "customer must personally approve" individual transactions. For example, this capability may allow a customer, who is connected to both the issuing body and a merchant (say, an online merchant), to:

1. Receive a pseudo-account number from the issuing body,
2. Set a condition on it requiring personal approval,
3. Give the account number to the merchant for a particular transactions,
4. Have the merchant request approval of the transaction,
5. When the request for approval arrives at the issuing body, have a request for personal approval directed to the customer's interface, and
6. Examine the full details of the transaction and then personally approve the transaction, with said approval then sent back to the merchant.

This capability would, for example, provide the ultimate in security against theft or misuse of an account number. No such capability discussed or suggested in any of the prior art.

For all of these reasons, independent claims 1, 17, 34 and 36 (and all claims depending from those claims, i.e., claims 2-10, 18-28, 35 and 37) are allowable over the prior art of reference. Applicants respectfully request these claims be allowed.

Independent claims 11 and 29 include an interface that allows consumers to selectively direct individual transactions to a **plurality of different bank accounts**. When an actual transaction itself is transmitted from the merchant's bank, the transaction may be redirected - according to rules set up by the customer - to one of a plurality of different real accounts owned by the customer. The customer may be afforded the opportunity to set complex rules governing how individual transactions are switched to different accounts, a possibility simply not afforded by Fleming, in which all transactions are effectively kept under a single account with a single combined credit limit. Moreover, these rules can be *selectively modified*. Four simple examples of complex, dynamic transaction switching that can be provided by the interface are the following:

1. Sending individual transactions to a real account that issues airline frequent-flyer miles up to the maximum amount allowed (most of these accounts set a limit on the maximum number of miles that can be issued per year), and then sending further transactions to another account (say, a card issuing miles on another, less-desirable airline).
2. Sending individual transactions to the real account having the lowest interest rate up to its credit limit, then direct them to another, higher-interest account.
3. Splitting a very large transaction that exceeds the limit of any of the customer's accounts into multiple transactions to a number of the customer's accounts.
4. Sending individual transactions to different specific accounts based on the type of the transaction. For example, some airline mileage accounts offer bonus miles for transacting business with a specific merchant or merchants. Transactions with these merchants might be directed to such an account while other transactions might be directed to another account more favored by the customer for everyday transactions.

Neither Fleming nor Adams discloses or suggests an interface that allows a consumer to selectively direct individual transactions to a plurality of different accounts. For at least these reasons, independent claims 11 and 29 (and all claims depending from claims 11 and 29, i.e., claims 12-16 and 30-33) are patentable over Fleming, Adams and Oncken.

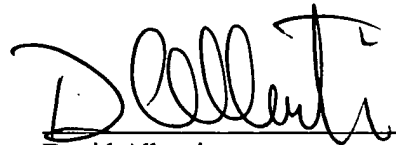
CONCLUSIONS

In summary, the claimed inventions, which allow a consumer to dynamically and selectively control individual transactions and different accounts, are substantially different than the prior art, which allows only general and static control over a single account. Applicants' invention is both novel and nonobvious over the prior art for the reasons set forth above. None of the prior art of record, either alone or in combination, teaches each and every element of Applicants' claimed inventions.

For all of these reasons, Applicants respectfully assert that all of claims 1-37 are in condition for allowance. The Examiner's early reconsideration is respectfully requested. If the Examiner has any questions, the Examiner is invited to contact Applicants' attorney at the following address or telephone number:

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Alberti', written over a horizontal line.

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